

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
)
) CC Docket No. 01-92
Developing a Unified Inter-carrier)
Compensation Regime)

FURTHER NOTICE OF PROPOSED RULEMAKING

Comments of Specified Members of the Wyoming Telecommunications Association

Introduction

The purpose of these comments is to respond to the Further Notice of Proposed Rulemaking (FNPRM) released by the Federal Communication Commission on March 30, 2005. These comments are filed on behalf of specified Independent Telephone Companies, members of the Wyoming Telecommunications Association.¹

The Wyoming Independents supporting these comments are companies who are very interested in the Commission's initiative on intercarrier compensation. The Independent companies vary in size from less than 500 access lines to more than 17,000 access lines in the state of Wyoming. These companies are concerned as they represent constituencies and customer bases that are located in very rural and isolated communities and locations. These companies, as rural companies, emphasize that the difficulties and costs they experience in providing telecommunication services to rural areas, which are substantially different than those which confront urban companies. Given

¹ The Telecommunications companies are in support of these comments are: Chugwater Telephone Company, Dubois Telephone Exchange, Inc., Range Telephone Cooperative, Inc. RT Communications, Inc., Silver Star Communications, All West Communications, Inc., and Union Telephone Company.

this difference and the cost of providing service in rural areas, the Wyoming Independents request of the Commission that it consider the differences in implementing any rules on intercarrier compensation. Generally, the Independent companies support those principles identified by the Rural Alliance as it has attempted to address rural telecommunication service. In creating a policy, the touchstone of any proposal requires compensation for services rendered.

Intercarrier Compensation

In the instant FNPRM, the Commission set forth five (5) principles to guide the intercarrier compensation reform. The Commission is pursuing a policy that promotes economic efficiency, preserves universal service, is competitively and technologically neutral, addresses network interconnection issues, and meets the appropriate legal standard. In reviewing the various proposals that have been disseminated throughout the industry, the Wyoming Independents generally support those principles proposed by the Rural Alliance. These state:

1. Intercarrier compensation rates should be uniform and cost based.
2. Current interconnection points and rules should be maintained.
3. The retail service provider should pay for the network usage it creates.
4. Transiting services should be available at just and reasonable rates and conditions.

5. Local service benchmark rates should be imputed in revenue replacement funds.
6. Revenue replacement funds should be based on net revenue losses.
7. Current universal service collection mechanisms are becoming unsustainable.
8. To protect rural customers, there needs to be additional oversight of IP interconnection and infrastructure based universal service.

Rural Issues of Concern

As the Wyoming Independents represent a number of rural high-cost companies they are concerned with appropriate compensation which will allow them to provide high quality telecommunications services to their customers. Any intercarrier compensation scheme must continue the carriers ability to provide service to their customers. Any intercarrier compensation plan should recognize the difference between rural and urban carriers.

Interconnection

Under any reform, rural carriers should be permitted to interconnect at existing meet points unless otherwise agreed by the rural carrier. The interconnection point should fall within the rural carriers area. Such an interconnection point would be consistent with the federal regulations, particularly 47 C.F. R. § 51.305(a)(2) which allows for interconnection at any technically feasible point within the LECs network.

Identifiable Traffic

Fundamentally, rural carriers must be compensated for all calls that originate or terminate on their networks. One difficulty that has occurred in the past which has not been resolved relates to “phantom traffic” which has allowed traffic to be terminated without appropriate compensation. Any compensatory plan must provide a strong policy statement that all traffic will be identified in order to allow for appropriate billing and compensation. Any compensatory scheme while recognizing economic reality, allows for appropriate compensation for services rendered.

Cost Recovery in Rural Areas

Providing telecommunication services in high-cost rural areas such as Wyoming is difficult and requires extensive capitol. Any compensatory scheme should not be considered if it ignores this economic reality. An appropriate intercarrier compensation scheme must reflect the difference in cost for providing service in rural and urban areas. In recognizing that the provision for service in rural areas is separate and distinct from providing it in urban areas, the compensatory scheme should:

- a. Calculate rural carrier intercarrier compensation on rural carrier study area embedded costs, which costing would include an appropriate allocation of joint and common costs consistent with statutory requirements.
- b. Bill and keep should be rejected as a cost recovery scheme. Any intercarrier compensation mechanism should allow rural high-cost

companies to recover sufficient revenues to appropriately
compensate them for services rendered

Conclusion

While Independent companies will continue to participate with industry
in reviewing
compensatory schemes, ultimately, their goal is to ensure that they can
continue to provide high quality telecommunications services in rural areas in
the state.

DATED this _____ day of _____, 2005.

Bruce S. Asay
Associated Legal Group, LLC
1807 Capitol Ave., Suite 203
Cheyenne, WY 82001
Attorney for Wyoming

Independents